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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/779,114	02/08/2001	Lawrence P. Shields	74622-040	5695

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PROSKAUER ROSE LLP  
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1585 BROADWAY  
NEW YORK, NY 10036-8299

EXAMINER
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PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 04/24/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/779,114	<b>Applicant(s)</b> SHIELDS ET AL.	
	<b>Examiner</b> JAGDISH PATEL	<b>Art Unit</b> 3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 06 February 2006.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-36 is/are pending in the application.
- 4a) Of the above claim(s) 5,7,10-12,14-16,18,19 and 21-33 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4,6,8,9,13,17 and 20 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>5/14/01</u> . | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

1. This communication is in response to amendment filed 2/6/06.

### ***Election/Restrictions***

2. Applicant's election without traverse of claims 1-4, 6, 8, 9, 13, 17 and 20 in the reply filed on 2/6/06 is acknowledged. Accordingly claims 5, 7, 10-12, 14-16, 18, 19 and 21-33 have been withdrawn from further consideration.

### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-4, 6, 8, 9, 13, 17 and 20 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

5. Claims 1-4, 6, 8, 9, 13, 17 and 20 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections. See MPEP § 2172.01. The omitted structural cooperative relationships are:

Structural relationship amongst the individual constituent elements, for example, no structural relationship between the volatile data storage and the interface system and/or the trading system is not recited. In the present form, for instance, the trading

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system is recited as a “stand-alone” element of the finance system having no connection to the interface system.

Appropriate correction(s) is required.

Note that independent claims 13, 17 and 20 also contain similar deficiencies as claim 1 discussed as an exemplary claim.

Claim 3 recites limitation “a monitoring system to ensure proper function of the quote server” is vague and unclear. The claim fails to ascertain what the “proper function” of the quote server entails and how the “monitoring system” in connection with the finance system accomplishes the monitoring function. In view of this defect the examiner has interpreted the claim as further comprising a quote monitoring system wherein the finance system accesses the quote server.

***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7. Claims 1-4, 6, 8, 9, 13, 17 and 20 rejected under 35 U.S.C. 102(b) as being clearly anticipated by Cristofich et al. (US Pat. 5,671,363) (hereafter referred to as Cristofich).

Per Claim 1 Cristofich discloses a system for inquiry and processing of trades made pursuant to at least one of a stock option and a stock purchase plan (see Figure 1), the system comprising:

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a finance system for automatic processing of a transaction pursuant to at least one of the stock option plan and the stock purchase plan, the finance system including **(the finance system is shown in Figure 1):**

a volatile data storage for storing participant information pursuant to a data transfer from a nonvolatile database of a third party administration system;

**(client participant database 20, which stores data transfer from third party administration system such as transfer agents 50)**

an interface system for interacting with a participant regarding a requested transaction;

**(col. 3 L 42- 49, system management)**

a trading system for conducting individual participant transactions on a public exchange; and a communication system that connects a participant to the finance system.

**(at least refer to col. 3 L 39- 63, details on transactions processing for the participants).**

**Claim 2:** Cristofich inherently teaches that the finance system accesses a quote server that provides real-time stock market quotes to the finance system.

**(refer to col. 7 L 53-57, ..the system must continuously receive market data for direct comparison to the target price).**

Claim 3: The system as recited by claim 2, further comprising a monitoring system to ensure proper function of the quote server.

**(refer to 35 USC112(second) analysis, in consideration of the deficiencies of the claim, Cristofich discloses the quote server, inherently at col. 7 L 15-22 wherein the quote server provides as “current stock price on an exchange” and “real-time input” ..for incoming stock quote).**

Claim 4: The system as recited by claim 1, wherein stock option and purchase transactions are conducted on one of a cash, cashless and stock swap basis.

**(refer to transaction request from a participant, col. 7 L 10-22, noting that the transaction request pertain to a stock option plan).**

6. The system as recited by claim 1, wherein the finance system further includes a confirmation system for confirming the execution of stock option and stock purchase contracts.

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**(this feature is inherent to any stock option or stock purchase transaction, and therefore inherently disclosed by Cristofich)**

8. The system as recited by claim 1, wherein the communication system is selected from the group consisting of Internet, an interactive voice response system and an Intranet.

**(see col. 3L 15-21, "communication ports for disperse processing").**

9. The system as recited by claim 1, wherein distribution proceeds from a transaction are selected from the group consisting of transfer to participant account, wire, check, and payment through an employee payroll system.

**(refer to various features of stock option transactions as described in Fig. 4 and col. 8 L 5+).**

13. A system for inquiry and processing of trades made pursuant to at least one of a stock option and a stock purchase plan, the system comprising: a finance system for automatic processing of a transaction pursuant to at least one of the stock option plan and the stock purchase plan, the finance system having access to real-time stock market quotes and including: a volatile data storage for storing participant information pursuant to a data transfer from a nonvolatile database of a third party administration system; an interface system for interacting with a participant regarding a requested transaction; a trading system for conducting individual participant transactions on a public exchange; and a communication system that connects a participant to the finance system.

**(all limitations are explicitly analyzed per claims 1-4 analysis)**

17. A system for inquiry and processing of trades made pursuant to at least one of a stock option and a stock purchase plan, the system comprising: a finance system for automatic processing of a transaction pursuant to at least one of the stock option plan and the stock purchase plan, the finance system including: a volatile data storage for storing participant information pursuant to a data transfer from a nonvolatile database of a third party administration system; an interface system for interacting with a participant regarding a requested transaction; a trading system for conducting individual participant transactions on a public exchange; and a communication system that connects a participant to the finance system, the communication system comprising one of an Internet, an interactive voice response system or an Intranet.

**(all limitations are explicitly analyzed per claims 1-4 and 8 analysis)**

20. A method for automatically processing transactions made pursuant to at least one of a stock option plan and a stock purchase plan, the method comprising the steps of: storing participant information in a nonvolatile database of an administration system; transmitting the participant information to a volatile data storage of a finance system;

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implementing transactions with the finance system; and transmitting updateable transaction information to the nonvolatile database of the administration system.

**(refer to corresponding system claim 1 analysis).**

***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748. The examiner can normally be reached on 800AM-600PM M-Th.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (571) 272-6747. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Jagdish N. Patel

(Primary Examiner, AU 3624)  
**JAGDISH N. PATEL  
PRIMARY EXAMINER**

4/18/2006